

## Message Text

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FM SECSTATE WASHDC

TO CINCPACREP GUAM IMMEDIATE

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E.O. 11652: N/A

TAGS: PGOV, GQ

SUBJECT: QUESTIONS AND ANSWERS FOR FRED ZEDER

DOTA NO. 075-MS

CINCPACREP PLS PASS TO A. BERGESEN, STATUS LNO, SAIPAN.

A BERGESEN, PLEASE PASS IMMEDIATELY TO FRED M. ZEDER.

ACKNOWLEDGE RECEIPT OF THIS MESSAGE BY RETURN CABLE

SOONEST.

MESSAGE FOLLOWS:

DOTA RESPONSES TO QUESTIONS FROM MICRONESIAN REPORTER.

QUESTION 1. WHAT DID YOU DO BEFORE YOUR APPOINTMENT AS  
DOTA?

ANSWER: BRIEF ACCOUNT OF PERSONAL HISTORY.

Q.2.: HOW DOES YOUR FORMER JOB RELATE TO WHAT YOU ARE  
DOING NOW?

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A: BELIEVE THAT THE SECRETARY OF THE INTERIOR FELT I POSSESSED CERTAIN SKILLS IN MANAGEMENT AND TRAINING PROCEDURES WHICH WOULD BE HELPFUL FOR THE TERRITORIES. I HAVE BEEN FORTUNATE TO SERVE AS A

MEMBER OF SEVERAL MUNICIPAL AND STATE BOARDS DEALING WITH INFRASTRUCTURE DEVELOPMENT AND LOCAL DECISION-MAKING AND I BELIEVE THIS EXPERIENCE WILL ASSIST ME AS I WORK WITH TERRITORIAL LEADERS IN SOLVING THE PROBLEMS WE FACE.

Q.3: HAD YOU HEARD OF MICRONESIA BEFORE YOU WERE APPOINTED?

A: AS APPROPRIATE.

Q.4: WHAT WERE YOUR REACTIONS TO THE APPOINTMENT?

A: FIRST I WAS VERY HONORED. I HAVE BEEN MOST OF MY LIFE IN PRIVATE AMERICAN INDUSTRY AND MY MAJOR CONTRIBUTIONS TO DATE HAVE BEEN IN THAT ARENA. TO BE OFFERED A RESPONSIBLE POSITION IN THE US GOVERNMENT IS IN MY VIEW AN HONOR AND A MARVELOUS OPPORTUNITY. SECOND, I REALIZED THAT THIS POSITION OF DIRECTOR OF TERRITORIAL AFFAIRS WOULD BE A TREMENDOUS CHALLENGE, POSSIBLY THE LARGEST I HAVE ATTEMPTED TO TACKLE. I TAKE THAT ASPECT OF THE JOB VERY SERIOUSLY. THIRD, I VIEW THE POSITION AS AN OPPORTUNITY; PERSONALLY, I WILL BE ABLE TO MAKE THE ACQUAINTANCE OF MANY INTERESTING PEOPLE AND PROFESSIONALLY, I HOPE THAT MY TALENTS AND THOSE OF MY STAFF WILL CONTINUE TO PROVE USEFUL.

Q.5: TELL US ABOUT THE RESPONSIBILITIES OF YOUR OFFICE.

A: THE RESPONSIBILITIES OF THE OFFICE OF TERRITORIAL AFFAIRS VARY REGARDING EACH OF THE TERRITORIAL AREAS UNDER IT JURISDICTION. THE OFFICE'S AUTHORITY DERIVES FROM THE SECRETARY OF THE LIMITED OFFICIAL USE

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INTERIOR AND AS SUCH, WE ARE A FUNCTIONING PART OF

THE DEPARTMENT OF THE INTERIOR. THIS MEANS THAT, ALTHOUGH I REPORT DIRECTLY TO THE SECRETARY, THE EXPERTISE AND TALENT WHICH LIES THROUGHOUT THE ENTIRE DEPARTMENT CAN BE AVAILABLE TO US AND TO THE TERRITORIES. WITH REGARD TO UNITED STATES TERRITORIES, OUR ROLE IS ONE OF ADVICE AND

ADVOCACY RELATIVE TO GUAM AND THE VIRGIN ISLANDS. WE FURNISH POLICY GUIDANCE TO AMERICAN SAMOA. WE TRY TO BE ADVOCATES FOR TERRITORIAL CONCERNS IN WASHINGTON SEEKING TO ESTABLISH WORKING CHANNELS WITH OTHER FEDERAL DEPARTMENTS AND THE CONGRESS.

WITH REGARD TO FEDERAL PROGRAMS, SERVICES AND GRANTS, WE SEEK TO TAILOR THESE TO THE ACTUAL NEEDS OF THE TERRITORIES AND TO THE CAPABILITIES OF THE FEDERAL GOVERNMENT. WE LOOK FOR WAYS CONSTANTLY TO STRENGTHEN LOCAL ENTERPRISE AND STANDARDS OF LIVING.

OUR ROLE WITH THE TRUST TERRITORY IS SOMEWHAT DIFFERENT BECAUSE THE TRUST TERRITORY IS NOT A UNITED STATES TERRITORY; IT IS A STRATEGIC TRUST OF THE UNITED NATIONS ADMINISTERED BY THE UNITED STATES. WITHIN THE UNITED STATES GOVERNMENT, THE SECRETARY OF THE INTERIOR (AND THE OFFICE OF TERRITORIAL AFFAIRS AS HIS OPERATING ARM) IS RESPONSIBLE FOR THE FULFILLMENT OF UNITED STATES PLEDGES TO BRING THE PEOPLE OF MICRONESIA TO SELF-SUSTAINING LEVELS OF POLITICAL AND ECONOMIC DEVELOPMENT. IN FULFILLING THESE RESPONSIBILITIES THE OFFICE MUST ALSO ABIDE BY THE PROCEDURES AND REGULATIONS OF THE FEDERAL GOVERNMENT. THIS IS NECESSARY BECAUSE THE ANNUAL GRANTS TO THE TRUST TERRITORY FROM THE CONGRESS OF THE UNITED STATES ARE DERIVED FROM THE TAXES PAID BY ALL AMERICANS. THE REAL CHALLENGE OF THE OFFICE IS TO ASSIST THE MICRONESIANS IN THEIR QUEST FOR SELF-GOVERNMENT IN A RESPONSIBLE AND ACCOUNTABLE FASHION.

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Q.6: WHAT ARE THE PLANS AND PRIORITIES REGARDING MICRONESIA?

A: FIRST, I THINK WHEN CONSIDERING A QUESTION LIKE THIS, WE WOULD DO WELL TO REMEMBER THAT THE CONGRESS OF MICRONESIA IS STILL ENGAGED IN POLITICAL STATUS NEGOTIATIONS WITH AMBASSADOR WILLIAMS AND THAT THE CONSTITUTIONAL CONVENTION IS CURRENTLY STILL MEETING. IN OTHER WORDS, THERE ARE CERTAIN POLITICAL PRIORITIES AND PLANS WHICH ARE ACTUALLY THE BUSINESS AND RESPONSIBILITY OF MICRONESIAN LEADERS AND THE PEOPLE. THE PLANS OF MY OFFICE, AND MORE GENERALLY OF THE INTERIOR DEPARTMENT, CONCERN THEMSELVES WITH THE ADMINISTRATIVE ARRANGEMENTS WHICH WILL HELP LEAD NATURALLY TO

FUTURE POLITICAL ARRANGEMENTS. I BELIEVE THEN THAT OUR TOP PRIORITY IS TO ENSURE THAT THE FUNCTIONING OF THE GOVERNMENT OF THE TRUST TERRITORY IS CONSISTENT WITH THE ECONOMIC DEVELOPMENT OF MICRONESIA, ACCOUNTABLE TO THE PEOPLE OF

THE UNITED STATES AND MICRONESIA AND CONSISTENT WITH ITS MISSION OF TRAINING MICRONESIANS.

I HAVE BEEN DISCUSSING WITH THE HIGH COMMISSIONER SOME SPECIFIC NEW APPROACHES REGARDING THE MANAGEMENT OF TRUST TERRITORY GOVERNMENT PROGRAMS. WE WILL WANT TO DISCUSS THESE FURTHER, BUT I THINK IT IS FAIR TO SAY THAT AN AREA OF GREAT CONCERN TO US HAS BEEN THE MAINTENANCE AND OPERATION OF TT INFRASTRUCTURE. DEVELOPING FEASIBLE PLANS IN THIS AREA IS CERTAINLY A TOP PRIORITY. MORE GENERALLY, ALL OF THE OPERATIONS OF THE TT GOVERNMENT ARE UNDER CONSTANT REVIEW AT INTERIOR TO SEE IF MANAGEMENT AND PROCEDURAL INNOVATIONS CAN BE MADE TO MORE EFFECTIVELY USE EACH GRANT DOLLAR AND MORE EFFICIENTLY SERVE MICRONESIANS.

Q.7: WHO IS WORKING WITH YOU IN THE OFFICE AND WHO IS DOING WHAT?

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A: I THINK MOST OF THE PEOPLE OUT HERE ARE FAMILIAR WITH THE STAFF OF THE OFFICE OF TERRITORIAL AFFAIRS; I THINK THAT MY STAFF HAS BEEN FORTUNATE IN DEVELOPING A NUMBER OF PERSONAL AND PROFESSIONAL FRIENDSHIPS AMONG THE EMPLOYEES OF THE TRUST TERRITORY AND DISTRICT GOVERNMENTS, THE CONGRESS OF MICRONESIA AND THE DISTRICT LEGISLATURES AND THE MICRONESIAN PEOPLE GENERALLY. RIGHT NOW THE STAFF IS: EMMETT RICE, MY DEPUTY DIRECTOR; JOHN DE YOUNG, WHO WORKS ON PROJECTS RELATING TO ALL OF THE TERRITORIES IN THE PACIFIC; JANICE JOHNSON, WHO DEALS WITH EDUCATIONAL, HEALTH AND SOCIAL AFFAIRS MATTERS AND HELPS US COORDINATE WITH OTHER GOVERNMENT AGENCIES CONCERNING FEDERAL PROGRAMS; STEVE SANDER, WHO DEALS WITH THE U.S.

CONGRESS AND IS DESK OFFICER FOR THE VIRGIN ISLANDS; JIM BERG, WHOSE MAIN RESPONSIBILITY IS FUTURE POLITICAL STATUS; MANNUEL CRUZ, WHO CONCERNS HIMSELF WITH YOUTH ACTIVITIES AND DEVELOPMENT AND GUAM AFFAIRS; AND RICHARD SCOTT, WHO IS

A SPECIAL CONSULTANT.

Q.8: WHICH OF THE TERRITORIES OCCUPIES MOST OF YOUR TIME?

A: I CAN'T REALLY GIVE YOU A DEFINITE ANSWER TO THAT

BECAUSE MANY OF THE PROGRAMS AND ACTIVITIES WHICH INVOLVE OUR OFFICE AFFECT MORE THAN JUST ONE TERRITORY. I THINK WE HAVE A BROADER RANGE OF CONCERNS REGARDING THE TRUST TERRITORY THAN WE DO FOR THE U.S. TERRITORIES.

Q. 9: GUAM AND THE VIRGIN ISLANDS HAVE REACHED THE STAGE WHERE THEY ARE NOW ELECTING THEIR OWN GOVERNORS AND DELEGATES TO THE CONGRESS. ARE THERE SIMILAR PLANS FOR AMERICAN SAMOA AND THE TRUST TERRITORY?

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Q. 10: SPEAKING OF ELECTED GOVERNORS FOR THE AMERICAN TERRITORIES, WHY CAN'T THE TRUST TERRITORY ELECT ITS OWN GOVERNOR OR HIGH COMMISSIONER?

AND

Q. 11: DO YOU FORESEE A DAY WHEN MICRONESIA WILL ELECT ITS OWN GOVERNOR OR PRESIDENT OR PRIME MINISTER? IN YOUR OPINION, WHEN WILL BE THE MOST FEASIBLE DATE FOR THAT?

A: THESE THREE QUESTIONS RELATE TO A CENTRAL POINT IN THE DEVELOPMENT OF SELF-GOVERNMENT IN THE TERRITORIES -- THAT OF THE POPULAR ELECTION OF THE CHIEF EXECUTIVE OF THE GOVERNMENT. GUAM AND THE VIRGIN ISLANDS HAVE ACHIEVED THIS POWER BECAUSE THEY HAVE REQUESTED IT AND DEMONSTRATED TO THE FEDERAL GOVERNMENT AND THE U.S. CONGRESS THAT APPLICABLE CONSTITUTIONAL FREEDOMS WILL CONTINUE TO BE PROTECTED. THE PEOPLE OF AMERICAN SAMOA HAVE, ON MORE THAN ONE OCCASION, BEEN OFFERED THE RIGHT TO POPULARLY ELECT A GOVERNOR, BUT IN EVERY CASE HAVE TURNED IT DOWN. MY FEELING IS THAT WHEN THE PEOPLE OF AMERICAN SAMOA DESIRE TO EXERCISE THIS RIGHT, THEY MAY. WITH REGARD TO THE TRUST TERRITORY, WE MUST REMEMBER THE FUNDAMENTAL DIFFERENCE WHICH I MENTIONED ABOVE. THE TRUST TERRITORY IS ADMINISTERED BY THE UNITED STATES

UNDER THE TERMS OF A TRUSTEESHIP AGREEMENT WITH THE UNITED NATIONS. THE OTHER TERRITORIES, WHICH ARE ACTUALLY PART OF THE UNITED STATES, ARE IN THE PROCESS OF MOVING TOWARD FULL SELF-GOVERNMENT AS PART OF THE FEDERAL SYSTEM. THIS INCLUDES THE WHOLE RANGE OF GOVERNMENTAL ACTIVITIES. INsofar AS THE TRUST TERRITORY IS CONCERNED, THE MOST

APPROPRIATE FORUM FOR THE ACTUAL WORKING OUT OF PROCEDURES FOR FUTURE SELF-GOVERNMENT IS THE POLITICAL STATUS NEGOTIATIONS IN WHICH THE PRESIDENT IS REPRESENTED BY AMBASSADOR WILLIAMS. LIMITED OFFICIAL USE

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I WOULD NOTE HERE THAT ONE DISTRICT, THE MARIANAS, HAS ALREADY COMPLETED NEGOTIATIONS FOR COMMON-WEALTH. AT SUCH TIME AS THE COVENANT IS APPROVED BY THE CONGRESS, PROCEDURAL ARRANGEMENTS WILL COMMENCE FOR A FULLER MEASURE OF SELF-GOVERNMENT IN THE MARIANAS INCLUDING AN ELECTED GOVERNOR. WE IN TERRITORIAL AFFAIRS REMAIN HOPEFUL THAT THE OTHER DISTRICTS OF MICRONESIA CAN FIND, WITH AMBASSADOR WILLIAMS, A COMMON SOLUTION TO THEIR FUTURE POLITICAL STATUS.

Q. 12: IS IT UNITED STATES POLICY TO DEVELOP THE PEOPLES OF THE TRUST TERRITORY FOR SELF-GOVERNMENT?

A: THIS IS AN OBLIGATION WE ACCEPTED UNDER ARTICLE 6 OF THE TRUSTEESHIP AGREEMENT AND ONE WHICH WE TAKE QUITE SERIOUSLY. IN IMPLEMENTING THIS POLICY, THE UNITED STATES HAS CREATED ELECTED LEGISLATIVE BODIES AT ALL LEVELS OF GOVERNMENT, FROM MUNICIPAL COUNCILS TO THE TERRITORY-WIDE CONGRESS OF MICRONESIA. IN RECENT YEARS THE TRUST TERRITORY ADMINISTRATION HAS ALSO BEEN PLACING A GROWING NUMBER OF MICRONESIANS IN SENIOR POSITIONS WITHIN THE EXECUTIVE BRANCH.

Q.13: THE TRUSTEESHIP SYSTEM STARTED WITH ELEVEN TRUST TERRITORIES IN ALL CORNERS OF THE GLOBE. TODAY, THERE IS ONLY ONE LEFT -- THAT IS THE TRUST TERRITORY OF THE PACIFIC ISLANDS. WHAT IS YOUR THINKING ON THIS?

A: THE TTPI IS INDEED THE LAST OF THE TRUSTEESHIPS CREATED UNDER THE UNITED NATIONS TRUSTEESHIP SYSTEM. WHEN THE TRUSTEESHIPS WERE CREATED IN 1947 IT WAS ENVISIONED THAT EACH WOULD BE ADMIN-

ISTERED IN ACCORDANCE WITH UNIQUE LOCAL CONDITIONS

UNTIL IT WAS REALISTIC FOR THE TERRITORY TO  
ACHIEVE A DIFFERENT POLITICAL STATUS. IN THE  
CASE OF THE TRUST TERRITORY OF THE PACIFIC  
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ISLANDS, THE UNITED STATES HAS BEEN ATTEMPTING  
SINCE 1969 TO NEGOTIATE A MUTUALLY ACCEPTABLE  
TERMINATION OF THE TRUSTEESHIP. THESE

NEGOTIATIONS RESULTED IN TENTATIVE AGREEMENT ON  
A COMPACT OF FREE ASSOCIATION IN OCTOBER 1974,  
AND THIS DOCUMENT HAS BEEN SUBMITTED TO THE CONG-  
RESS OF MICRONESIA FOR ITS CONSIDERATION. YOU  
WILL RECALL THAT THE CONGRESS REJECTED TITLE IV,  
WHICH EMBODIED THE FINANCIAL PROVISIONS OF THE  
COMPACT, AND INSTRUCTED THE JOINT COMMITTEE TO  
RENEGOTIATE THOSE PROVISIONS. THERE DOES NOT  
APPEAR TO BE AGREEMENT AMONG THE PEOPLES OF THE  
TRUST TERRITORY AS TO THE ACCEPTABILITY OF THE  
OTHER PROVISIONS OF THE DRAFT COMPACT OF FREE  
ASSOCIATION. THE UNITED STATES IS WILLING TO CON-  
TINUE TALKS LEADING TO TERMINATION OF THE TRUSTEE-  
SHIP BUT IT APPEARS THAT THE MICRONESIANS REQUIRE  
TIME TO REVIEW THEIR POSITIONS AND REACH AGREE-  
MENT AMONG THEMSELVES AS TO THE FUTURE COURSE OF  
NEGOTIATIONS.

UNTIL THESE BASIC DECISIONS ARE MADE, IT WILL BE  
UNREALISTIC TO TALK ABOUT TERMINATION OF THE  
TRUSTEESHIP AND ADDITIONAL LENGTHY NEGOTIATIONS  
MAY BE NECESSARY BEFORE FULL AGREEMENT CAN BE  
REACHED ON THE STATUS OF THE TTPI FOLLOWING TER-  
MINATION.

Q. 14: IS THE TRUSTEESHIP COUNCIL STILL NECESSARY IN  
VIEW OF RECENT EVENTS?

A: THE ROLE OF THE TRUSTEESHIP COUNCIL HAS BEEN  
LARGELY DEFINED BY HISTORICAL PRECEDENT. AS YOU  
KNOW, THE UNITED STATES, AS ADMINISTERING AUTHOR-  
ITY, REPORTS ANNUALLY TO THE UNTC ON THE POLITI-  
CAL, ECONOMIC AND SOCIAL DEVELOPMENT OF THE TTPI.  
THE MEMBER NATIONS OF THE UNTC HAVE, AND WE HOPE  
WILL CONTINUE TO MAKE, VERY HELPFUL RECOMMENDA-  
TIONS AND OBSERVATIONS REGARDING THE STATE AND  
STAGES OF DEVELOPMENT IN MICRONESIA. FURTHER,  
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THE UNTC REPRESENTATIVES HAVE MADE SPECIAL OBSERVATION TRIPS TO THE TRUST TERRITORY FOR THE PURPOSE OF OBSERVING FIRST HAND THE EFFECTS OF U.S. ADMINISTRATION.

IN THIS REGARD, IT IS IMPORTANT TO REMEMBER THAT THE TRUSTEESHIP COUNCIL IS NOT CHARGED WITH THE ADMINISTRATION OF THE TTPI. THIS IS THE SOLE RESPONSIBILITY OF THE UNITED STATES.

Q. 15: IS THE TRUST TERRITORY OF THE PACIFIC ISLANDS THE LAST TRUST TERRITORY IN THE WORLD? IS ITS ECONOMY A FACTOR?

A: ONE ASPECT OF U.S. RESPONSIBILITY FOR ADMINISTRATION OF THE TTPI IS OUR ATTEMPT TO DEVELOP THE TERRITORY ECONOMICALLY. AMBASSADOR WILLIAMS AND THE CONGRESS OF MICRONESIA'S JOINT COMMITTEE ON FUTURE STATUS HAVE TALKED ABOUT 1980/81 AS A POSSIBLE TERMINATION DATE FOR THE TRUSTEESHIP AND THE DEPARTMENT OF INTERIOR, IN CONSULTATION WITH THE CONGRESS, HAS ATTEMPTED TO DESIGN PROGRAMS AND GRANT LEVELS WHICH WOULD BRING MICRONESIA TO A POSITION OF SELF-SUSTAINED GROWTH BEFORE TERMINATION OF THE TRUSTEESHIP. I WOULD LIKE TO EMPHASIZE THAT WE IN WASHINGTON VIEW THE GROWTH OF MICRONESIA, BOTH POLITICALLY AND ECONOMICALLY,

AS A CONTINUOUS PROCESS. WE HAVE TALKED ABOUT 1980/81 AS A TENTATIVE DATE FOR TERMINATION OF THE TRUSTEESHIP BECAUSE OUR BEST JUDGMENT INDICATED THAT THE NECESSARY POLITICAL ARRANGEMENTS COULD BE IMPLEMENTED BY THAT DATE. MY OFFICE, ALONG WITH OTHERS CONCERNED WITH MICRONESIAN AFFAIRS IS LOOKING FOR WAYS TO DEVELOP SHORT AND MEDIUM TERM PROGRAMS WHICH WILL BRING ABOUT THE TYPE OF ECONOMIC DEVELOPMENT AND SUSTAINED GROWTH WHICH WILL BUILD MICRONESIA'S SELF-SUFFICIENCY AND STRENGTHEN THE TIES OF FRIENDSHIP BETWEEN THE UNITED STATES AND MICRONESIA.

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Q.16: IN RETROSPECT, CAN YOU RECALL SOME OF THE MAJOR ACCOMPLISHMENTS OF THE ADMINISTERING AUTHORITY IN



THE PAST THREE DECADES.

A: RATHER THAN ENUMERATE THE NUMBER OF SCHOOLS AND HOSPITALS, ETC OR THE VARIOUS LEVELS OF ANNUAL GRANTS OVER THE YEARS, I WOULD PREFER TO SPEAK OF THE ACCOMPLISHMENTS OF THE UNITED STATES IN CONCEPTUAL TERMS BECAUSE IT IS HERE THAT I THINK MY COUNTRY HAS MADE ITS GREATEST AND MOST LONG-LASTING SET OF CONTRIBUTIONS.

FIRST IS THE CONCEPT OF REPRESENTATIVE GOVERNMENT. I HAVE HEARD IT ARGUED THAT THE MICRONESIANS ARE THE MOST REPRESENTED PEOPLE IN THE WORLD. WHETHER OR NOT THIS IS TRUE, THE IMPORTANT POINT IS THAT YOU, OVER THE YEARS, HAVE GAINED A

KNOWLEDGE OF AND RESPECT FOR THE SYSTEM OF REPRESENTATIVE DEMOCRACY OF WHICH MY COUNTRY IS SO PROUD. THIS IS SOMETHING WHICH HAS NEVER EXISTED IN MICRONESIA BEFORE TO SUCH AN EXTENT, AND IT IS THE CONTINUATION OF THIS TYPE OF PHILOSOPHY OF GOVERNMENT -- ONE WHICH STRESSES THE WORTH OF THE INDIVIDUAL -- THAT I THINK WILL PROVE TO BE AMERICA'S GREATEST LEGACY.

I WOULD ALSO POINT TO ECONOMIC DEVELOPMENT. I HAVE HEARD PEOPLE SAY THAT DEVELOPMENT IN MICRONESIA HAD REACHED A MUCH HIGHER LEVEL UNDER PREVIOUS ADMINISTERING NATIONS. BY ONE DEFINITION THIS MAY EVEN BE TRUE. BUT WE SHOULD REMEMBER THE CONCEPT OF DEVELOPMENT FROM WHICH THE UNITED STATES IS WORKING. WHAT WE ARE TRYING TO DO -- AND THIS IS REALLY THE REASON THAT THE IMMEDIATE RESULTS ARE NOT NECESSARILY SPECTACULAR -- IS TO ENCOURAGE THE GROWTH OF ENTREPRENEURSHIP IN MICRONESIA. OF WHAT WORTH IS A HIGH LEVEL OF GROWTH AND DEVELOPMENT HERE IF IT CANNOT BE OWNED AND MANAGED BY MICRONESIANS THEMSELVES.

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THE CONCEPT OF THE JOINT VENTURE -- WHICH IS AT THE FOUNDATION OF INTERIOR'S POLICY STATEMENT ON FOREIGN INVESTMENT -- NECESSITATES MICRONESIAN INVOLVEMENT IN DEVELOPMENT, BOTH IN TERMS OF EQUITY AND MANAGEMENT. I BELIEVE IT ALSO TENDS TO ATTRACT TO MICRONESIA THOSE TYPES OF PROGRAMS AND INDUSTRIES WHICH ARE REFLECTIVE OF THE NEEDS AND CAPABILITIES OF THE MICRONESIAN PEOPLE AND, IMPORTANTLY, OF THE MICRONESIAN LABOR FORCE. A CONSISTENT THEME IN THE LITERATURE OF

ECONOMIC DEVELOPMENT IS THAT DEVELOPMENT WHICH IS SPURRED BY FOREIGN INVESTMENT WILL PROCEED MUCH MORE QUICKLY IF OWNERSHIP AND MANAGEMENT REMAIN IN THE HANDS OF THE FOREIGN NATION. THIS MAY BE TRUE, BUT IF WE MUST MAKE A SACRIFICE IN THE RATE OF DEVELOPMENT, THE SACRIFICE IS WORTHWHILE BECAUSE THE INTEGRITY OF MICRO-INVOLVEMENT CAN BE PRESERVED. THE PEOPLE OF MICRONESIA WILL HARDLY HAVE A CHANCE TO SUCCEED WITH SELF-GOVERNMENT IF DEVELOPMENT AND INVESTMENT ARE CONTROLLED BY OUTSIDERS.

LASTLY, I WOULD MENTION THE CONCEPT OF GOVERNMENT SERVICES PROVIDED BY THE TRUST TERRITORY GOVERNMENT THROUGH GRANTS FROM THE AMERICAN PEOPLE. CERTAINLY JUST AFTER THE WAR AND FOR A SUBSTANTIAL

PERIOD OF TIME THEREAFTER, IT WAS NECESSARY FOR THESE SERVICES TO BE PUBLICLY FINANCED. I BELIEVE OUR CONCEPT NOW IS TO MOVE TOWARD USER-FINANCING OR PRIVATE SECTOR DEVELOPMENT FOR SOME OF THESE SERVICES INCLUDING UTILITIES, PORT CONSTRUCTION, AND PERHAPS EVEN ROADS. EXPENSIVE OPERATIONS SUCH AS UNIVERSAL PRIMARY EDUCATION, ETC. WILL OF COURSE REMAIN IN THE PUBLIC DOMAIN BUT I THINK WE COULD ALL POINT WITH PRIDE TO THE DEVELOPMENT OF WORKABLE ARRANGEMENTS FOR THE PROVISION OF SOME INFRASTRUCTURE AND EXPERT SERVICES BY ENTITIES OTHER THAN GOVERNMENT.  
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Q.17: WHAT DO YOU THINK OF THE CONGRESS OF MICRONESIA?  
IS IT A BODY WORTHY OF ITS NAME?

A: SINCE I HAVE BECOME DIRECTOR OF TERRITORIAL AFFAIRS I HAVE BEEN VERY IMPRESSED WITH THE CONGRESS. THIS IS NOT ONLY BASED ON MY CONTACTS WITH INDIVIDUAL MEMBERS BUT ALSO RESULTS FROM THE RESEARCH I HAVE DONE INTO ITS ORIGIN AND MATURING OVER THE YEARS SINCE 1965. WITHOUT TAKING AWAY ALSO FROM THE IMPORTANCE OF THE DISTRICT LEGISLATURES, I WOULD CONJECTURE THAT THE CONGRESS OF MICRONESIA IS ONE OF THE STRONGEST FORCES FOR THE UNITY OF THE MICRONESIAN PEOPLES. IT HAS BEEN AN ARTICULATE SPOKESMAN AND HAS DEMONSTRATED BOTH LEADERSHIP AND SENSITIVITY. I HOPE THAT THE RELATION-

SHIP BETWEEN THE COM AND THE INTERIOR DEPARTMENT, WHICH I FEEL IS VERY GOOD, WILL CONTINUE AND IMPROVE.

Q.18: DOES YOUR OFFICE HAVE ANYTHING TO DO WITH THE POLITICAL STATUS NEGOTIATIONS?

A: AS YOU KNOW, THE PRESIDENT'S REPRESENTATIVE FOR THESE NEGOTIATIONS IS AMBASSADOR WILLIAMS. HE IS HEAD OF THE U.S. DELEGATION OF WHICH INTERIOR, ALONG WITH SOME OTHER DEPARTMENTS OF THE GOVERNMENT, IS A MEMBER. ADDITIONALLY, AMBASSADOR WILLIAMS OFTEN SEEKS THE ADVICE OF THE INTERIOR DEPARTMENT, AND SPECIFICALLY MINE AND THAT OF MY STAFF, IN MATTERS RELATING TO THE NEGOTIATIONS. I WOULD SAY THAT INTERIOR WORKS QUITE CLOSELY WITH THE STATUS NEGOTIATIONS AND WITH AMBASSADOR WILLIAMS SINCE WE ARE ALL WORKING FOR THE SAME GOAL OF SELF-GOVERNMENT IN THE TRUST TERRITORY.

Q.19: DO YOU PERIODICALLY WORK WITH THE SECRETARY OF THE INTERIOR AND KEEP HIM APPRISED OF WHAT IS LIMITED OFFICIAL USE

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HAPPENING IN THE TRUST TERRITORY?

A: MY POSITION REQUIRES THAT I REPORT DIRECTLY TO THE SECRETARY ON ALL MATTERS RELATING TO UNITED STATES TERRITORIES AND TO THE TRUST TERRITORY. AS SUCH, I HAVE QUITE A BIT OF CONTACT WITH THE SECRETARY OR, AS IS PRESENTLY THE CASE, THE ACTING SECRETARY. THIS ALSO MEANS THAT OTHER IMPORTANT LINE OFFICERS IN THE INTERIOR DEPARTMENT, SUCH AS THE ASSISTANT SECRETARY FOR PROGRAM DEVELOPMENT AND BUDGET OR THE ASSISTANT SECRETARY FOR CONGRESSIONAL LIAISON, OFTEN WORK WITH ME AND MY STAFF. I WOULD SAY THAT THE SECRETARY AND THE OTHER OFFICERS OF THE INTERIOR DEPARTMENT ARE WELL INFORMED ABOUT MICRONESIAN AFFAIRS.

Q.20: MANY IMPORTANT EVENTS HAVE TAKEN PLACE HERE RECENTLY: THE MARIANAS PLEBISCITE, THE REFERENDUM, AND THE CONSTITUTIONAL CONVENTION. ARE YOU COMFORTABLE WITH THESE POLITICAL DEVELOPMENTS?

A: YES, I AM ENTIRELY COMFORTABLE WITH ALL THREE DEVELOPMENTS YOU MENTION. THE MARIANAS PLEBISCITE WAS A FREE ACT OF SELF-DETERMINATION BY THE

PEOPLE OF THE NORTHERN MARIANAS AND REPRESENTED ONE MORE STEP TOWARD THE FULFILLMENT OF OUR RESPONSIBILITIES UNDER ARTICLE 6 OF THE TRUSTEESHIP AGREEMENT. THE TERRITORY-WIDE REFERENDUM WAS AN OPPORTUNITY FOR THE PEOPLE OF THE VARIOUS DISTRICTS TO EXPRESS THEIR DESIRES ON THEIR FUTURE POLITICAL STATUS. I DO NOT KNOW ANY AMERICAN WHO DOES NOT BELIEVE DISCUSSION OF MICRONESIA'S FUTURE SHOULD BE BASED ON AN UNDERSTANDING OF THE WILL OF THE PEOPLE. IN THE CASE OF THE CONSTITUTIONAL CONVENTION, I WOULD LIKE TO REMIND YOU THAT THE UNITED STATES ENCOURAGED THE CONVENING OF THE CONCON AND IT PARTIALLY FUNDED IT. ALL THREE DEVELOPMENTS REPRESENT A WORKING OUT OF THE MICRONESIAN POLITICAL PROCESS AND SHOULD BE VIEWED AS SATISFYING BY INTERESTED OBSERVERS.

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Q.21: WHAT EFFECTS WOULD A SEPARATE ADMINISTRATION OF THE MARIANAS HAVE ON THE REST OF THE TTPI?

A: THIS IS I THINK A VERY IMPORTANT QUESTION. WE MUST REMEMBER WHEN DISCUSSING IT HOWEVER THAT SEPARATE ADMINISTRATION MEANS JUST WHAT IT SAYS: THAT THE MARIANAS AND THE REST OF THE TTPI WILL

BE ADMINISTERED SEPARATELY. PRESENT PLANNING CALLS FOR THE MARIANAS TO REMAIN LEGALLY A PART OF THE TRUST TERRITORY UNTIL THE TERMINATION OF THE TRUSTEESHIP AGREEMENT. THE ADMINISTRATION OF THE MARIANAS WILL BE SEPARATED OUT FROM THE HIGH COMMISSIONER AND THE CONGRESS OF MICRONESIA SO THAT THE MARIANAS MAY MAKE THEIR TRANSITION TO COMMONWEALTH AS EASILY AS POSSIBLE AND WITH MINIMUM INTERFERENCE TO THE OTHER DISTRICTS OR TO THE HEADQUARTERS GOVERNMENT. WITH THIS SAID, I THINK THAT THERE WILL BE SOME EFFECTS RESULTING FROM ADMINISTRATIVE SEPARATION. FIRST, IF THE COVENANT IS APPROVED AND SEPARATION OCCURS, THE MARIANAS WILL NO LONGER TAKE PART IN THE CONGRESS OF MICRONESIA. THIS WILL PERMIT THE CONGRESS TO CONCENTRATE ON THE AFFAIRS AND INTERESTS OF THE OTHER DISTRICTS. THE CONGRESS WILL, OF COURSE, LOSE THE REVENUES WHICH ARE GENERATED IN THE MARIANAS AND I THINK THIS IS AN ISSUE THAT THE CONGRESS, IN CONSULTATION WITH THE DISTRICTS, SHOULD CONSIDER CLOSELY.

SO LONG AS THE HEADQUARTERS AND THE CONGRESS OF MICRONESIA REMAIN ON SAIPAN, THERE WILL BE DIFFICULT ADMINISTRATIVE QUESTIONS WHICH WILL HAVE TO BE RESOLVED BY COOPERATIVE DISCUSSIONS AND THEY WILL UNDOUBTEDLY CONTINUE.

Q.22: THE HOUSE OF REPRESENTATIVES HAS APPROVED THE COMMONWEALTH (FOR THE MARIANAS). WHAT WILL HAPPEN IF THE SENATE DOES NOT APPROVE IT?

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A: WE OF COURSE HOPE THAT THE COVENANT WILL QUICKLY BE APPROVED BY THE SENATE AND CONTINUE TO FEEL THIS WILL BE THE CASE. IN THE UNLIKELY EVENT OF DISAPPROVAL, HOWEVER, I THINK THAT THE FEDERAL GOVERNMENT AND THE PEOPLE OF THE MARIANAS WOULD HAVE TO ATTEMPT TO NEGOTIATE AN AGREEMENT CONSISTENT WITH THE DESIRES OF THE UNITED STATES. WHAT MIGHT BE INVOLVED IN THAT PROCESS WOULD DEPEND ON THE REASON FOR REJECTION OF THE COVENANT BY THE CONGRESS.

Q.23:THE RESULT OF THIS YEAR'S POLITICAL REFERENDUM SHOWED THAT THE OVERSHELMING MAJORITY OF THE PEOPLE OF MICRONESIA WANT UNITY. HOWEVER, THE MARSHALLS AND PALAU HAVE INDICATED SEPARATIST TENDENCIES. WHAT IS YOUR OPINION OF THIS?

A: AS YOU KNOW, THE LONG-STANDING HOPE OF THE UNITED STATES IS THAT THE MARSHALLS AND CAROLINES COULD FIND A COMMON SOLUTION TO THEIR POLITICAL STATUS. OUR DESIRE FOR UNITY ALSO EXTENDS TO THE TYPE OF INTERNAL POLITICAL STRUCTURE WHICH MIGHT BE DEFINED IN THE CONSTITUTIONAL CONVENTION. WE NEVERTHELESS CAN UNDERSTAND THAT DIFFERENT DISTRICTS IN THE TRUST TERRITORY MIGHT DIFFER SOMEWHAT IN THE POLITICAL AND ECONOMIC ASPIRATIONS. I HOPE, AND I KNOW THIS HOPE IS SHARED IN THE UNITED STATES GENERALLY, THAT THE FUTURE POLITICAL ARRANGEMENTS DEvised FOR MICRONESIA ARE A WORKABLE COMPROMISE BETWEEN THE ADVANTAGES OF UNITY AND THE DESIRE FOR LOCAL IDENTITY.

Q.24: HOW DO YOU ASSESS THE WORK OF THE MICRONESIAN CONSTITUTIONAL CONVENTION?

A: I THINK THE CONCON IS MAKING A VERY COMMENDABLE EFFORT IN A TRULY DIFFICULT TASK. I HAVE READ THAT SOME PEOPLE HAVE LEVELED CRITICISM AT THE

CONCON FOR NOT PROCEEDING MORE QUICKLY. WHILE SOME OF THIS CRITICISM MAY INDEED BE JUSTIFIED, I THINK WE SHOULD ALL REMEMBER THAT THIS IS THE LIMITED OFFICIAL USE

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FIRST TIME THAT ANY SUCH LARGE GROUP OF MICRONESIANS HAVE CONVENED FOR THIS PURPOSE. I BELIEVE IT IS MORE IMPORTANT FOR THE DELEGATES TO UNDERSTAND WHAT SUCH THINGS AS THE "BILL OF RIGHTS" MEAN RATHER THAN ADOPT THEM WITHOUT DEEP THOUGHT. WE ALL LOOK FORWARD TO SEEING THE RESULTS OF THE CONVENTION.

Q.25: IT WOULD APPEAR THAT FOR THE LAST SEVERAL YEARS THE MOST DESIRABLE AND FEASIBLE POLITICAL STATUS ALTERNATIVE FOR THE MARSHALLS AND CAROLINES HAS BEEN FREE ASSOCIATION. THIS HAS BEEN THE POSITION OF THE CONGRESS OF MICRONESIA, BASED ON HEARINGS IN THE DISTRICTS, AND THE POSITION HAS BEEN ENDORSED BY SEVERAL DISTRICT LEGISLATURES. THE RECENT POLITICAL STATUS REFERENDUM HAS ALSO INDICATED CONSIDERABLE SUPPORT IN THE DISTRICTS FOR FREE ASSOCIATION.

Q.26: COMING BACK TO THE DAILY OPERATIONS OF YOUR OFFICE, HOW DO YOU AND YOUR STAFF KEEP INFORMED ABOUT THE OPERATIONS OF THE TT GOVERNMENT?

A: EITHER I OR MY DEPUTY IS IN ALMOST DAILY TELEPHONE CONTACT WITH THE HIGH COMMISSIONER IN ADDITION TO COMMUNICATING ON MAJOR ISSUES BY LETTER OR CABLE. WE ALSO OF COURSE READ THE MNS NEWS AND TRAVEL QUITE OFTEN TO THE TRUST TERRITORY TO MEET WITH TT GOVERNMENT OFFICIALS AND LEGISLATIVE LEADERS.

Q.27: RECENTLY, YOU HAVE BEEN GETTING TAPE RECORDINGS OF THE HIGH COMMISSIONER'S WEEKLY CABINET MEETINGS. DO YOU FIND THESE RECORDING INFORMATIVE?

A: YES, VERY INFORMATIVE. I THINK THE REAL ADVANTAGE TO LISTENING TO THESE TAPES IS THAT OUR STAFF CAN GET A MUCH MORE IN-DEPTH UNDERSTANDING OF THE COMPLEXITY OF THE ISSUES FACING THE TT GOVERNMENT AND OF THE TYPES OF APPROACHES SUGGESTED TO DEAL WITH THEM. WHERE I THINK THE LIMITED OFFICIAL USE

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OFFICE OF TERRITORIAL AFFAIRS CAN BE MOST HELPFUL IS IN THE IDENTIFICATION OF PROBLEMS AND IN THE DEVELOPMENT OF THE PROPER APPROACHES TO DEAL WITH THEM. THE CABINET MEETING TAPES SAVE A TREMENDOUS AMOUNT OF PAPER WORK WHICH WOULD OTHERWISE BE CONSUMED IN THIS TYPE OF COMMUNICATION AND CAN HELP US TO RESPOND MORE QUICKLY.

Q.28: WHEN IMPORTANT DECISIONS ARE MADE REGARDING POLICY IN THE TRUST TERRITORY, ARE THEY MADE IN WASHINGTON OR HERE ON SAIPAN?

A: THE ANSWER TO THAT IS NEITHER. WHEN MATTER OF SIGNIFICANCE REQUIRE DECISION OR NEW POLICIES, THE DECISION-MAKING PROCESS IS NOT LOCALIZED TO EITHER WASHINGTON OR SAIPAN; IT IS RATHER A CO-OPERATIVE EFFORT OFTEN INVOLVING THE CONGRESS OF MICRONESIA OR EVEN THE CONGRESS OF THE UNITED STATES. IT SHOULD BE REMEMBERED THAT THE OFFICE OF TERRITORIAL AFFAIRS IS LOCATED IN WASHINGTON FOR A VERY GOOD REASON: WE ARE ADVOCATES FOR THE NEEDS OF THE TERRITORIES IN THE FEDERAL GOVERNMENT AND, IN THE SAME VEIN, WE ALSO CAN ADVISE WHETHER OR NOT A POLICY IS WORKABLE FROM THE VIEWPOINT OF THE FEDERAL GOVERNMENT. IN ADDITION, WE, AS PART OF OUR RESPONSIBILITY TO THE

SECRETARY, CONTINUALLY ATTEMPT TO SEEK NEW TYPES OF POLICIES AND PROGRAMS FOR THE TERRITORIES WHICH WILL MORE EFFICIENTLY USE AVAILABLE RESOURCES.

Q.29: THIS IS YOUR SECOND TRIP TO MICRONESIA. ARE YOU HAPPY WITH WHAT YOU SEE NOW?

A: NO, I AM NOT. WHILE I FEEL THAT OVER THE YEARS WE HAVE MADE PROGRESS IN CERTAIN SPECIFIC AREAS, THERE IS ALWAYS ROOM FOR IMPROVEMENT AND I DO NOT THINK ANY OF US CAN EVER AFFORD TO REST ON OUR LAURELS IN CONTENTMENT. WHAT DOES SATISFY ME IS THAT PEOPLE ARE TRYING TO IMPROVE THEM-LIMITED OFFICIAL USE

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SELVES. THE PURPOSE OF MY FIRST TRIP WAS PROBLEM IDENTIFICATION. IN THIS TRIP, I HOPE TO BEGIN DISCUSSIONS REGARDING THE IMPROVEMENT OF SOME OF OUR CURRENT PROGRAMS.

Q.30: COULD YOU BRING US UP TO DATE ON THE RETURN OF THE PEOPLE OF BIKINI AND ENEWETAK IN THE MARSHALLS?

A: IT HAD BEEN OPED THAT THE FIRST CONTINGENT OF BIKINIANS WOULD MOVE TO BIKINI ISLAND THIS FALL. THAT SCHEDULE WAS NOT MET DUE TO A NUMBER OF REASONS.

LAST YEAR THE PEOPLE DECIDED THAT THEY WISHED SOME OF THE REMAINING HOUSES TO BE LOCATED IN THE INTERIOR PORTION OF BIKINI ISLAND. THAT NECESSITATED A NEW RADIOLOGICAL SURVEY SINCE ORIGINALLY THE INTERIOR OF THE ISLAND HAD NOT BEEN ANTICIPATED AS A PLACE WHERE HOUSES WOULD BE CONSTRUCTED. THIS NEW RADIOLOGICAL SURVEY WAS CONDUCTED BY ERDA LAST JUNE. THE PRELIMINARY RESULTS INDICATED THAT CERTAIN RESTRICTIONS FOR THE USE OF BIKINI ISLAND BEYOND THOSE RECOMMENDED BY THE ORIGINAL SUSVEYS, SHOULD BE IMPOSED. ADDITIONALLY, IT HAD BEEN HOPED THAT THE NEW RADIOLOGICAL SURVEY WOULD INCLUDE AERIAL SURVEILLANCE USING NEW TECHNIQUES.

UNFORTUNATLY, LOGISTIC SUPPORT FOR THE AERIAL PORTION OF THE RADIOLOGICAL SURVEY COULD NOT BE OBTAINED BY ERDA.

AS YOU KNOW, A SUIT HAS NOW BEEN FILED IN THE DISTRICT COURT IN HONOLULU BY THE LEGAL REPRESENTATIVES OF THE BIKINI PEOPLE. PART OF THIS

SUIT ASKS THAT THE PEOPLE NOT RETURN TO BIKINI UNTIL A COMPLETE RADIOLOGICAL SURVEY INCLUDING THE AERIAL SURVEY HAS BEEN COMPLETED. THIS MATTER IS BEFORE THE COURT AT THE PRESENT TIME. LIMITED OFFICIAL USE

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Q.31: SINCE THE UNITED STATES STARTED WORKING ON BIKINI AND ENEWETAK SOME TWO OR THREE DECADES AGO, HOW MUCH MONEY HAS THE U.S. PAID TO THE DISPLACED PEOPLE OF EACH OF THESE ATOLLS?

A; IN 1956, THE PEOPLE OF ENEWETAK RECEIVED PAYMENT OF \$175,000. \$150,000 WAS PLACED IN A TRUST FUND AND \$25,000 DISBURSED IN CASH TO BE DIVIDED AMONG LAND CLAIMANTS. AT THE SAME TIME, THE PEOPLE OF ENEWETAK WERE GRANTED USE RIGHTS TO THE ATOLL OF UJELANG.



IN 1969, THE U.S. GOVERNMENT ADDITIONALLY MADE AN EX GRATIA PAYMENT OF \$1,020,000 TO THE ENEWETAK PEOPLE FOR RECOGNITION OF HARDSHIPS AND SUFFERINGS. THIS AMOUNT ALSO WAS PLACED IN A TRUST FUND.

THE PEOPLE OF BIKINI ALSO RECEIVED PAYMENT IN 1956. IN THEIR CASE, IT WAS \$325,000 OF WHICH \$300,000 WAS PLACED IN A TRUST FUND AND \$25,000 DISBURSED IN CASH. USE RIGHTS TO THE ISLAND OF KILI ALSO WERE GRANTED AT THIS TIME.

IN 1969, THE BIKINIANS DID NOT RECEIVE AN EX GRATIA PAYMENT AS DID THE PEOPLE OF ENEWETAK. THIS WAS BECAUSE THE PRESIDENT OF THE UNITED STATES HAD ANNOUNCED THAT BIKINI ATOLL WOULD BE RETURNED TO THE PEOPLE AFTER CLEANUP AND REHABIL-

ITATION. AT THAT TIME THE FIRST PHASES OF CLEANUP AND REHABILITATION OF BIKINI ATOLL WERE UNDERWAY.

IN 1973, THE PEOPLE OF BIKINI PETITIONED FOR AN EX GRATIA PAYMENT ON THE GROUNDS THAT THEY HAD SUFFERED HARDSHIPS NO LESS THAN THOSE ENCOUNTERED BY THE PEOPLE OF ENEWETAK AND IN SOME RESPECTS MORE SEVERE. THE U.S. CONGRESS RESPONDED TO THIS PLEA AND IN 1974 APPROVED AN AUTHORIZATION FOR A \$3 MILLION EXGRATIA PAYMENT. THIS FALL, LIMITED OFFICIAL USE

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THE U.S. HOUSE OF REPRESENTATIVES APPROVED AN EX GRATIA AMOUNT OF \$2,270,000. THE EX GRATIA

PAYMENT IS PART OF THE DEPARTMENT OF INTERIOR'S

FY 76 BUDGET WHICH HAS NOT AS YET BEEN APPROVED BY THE U.S. SENATE. HOWEVER, IT IS EXPECTED THE SENATE WILL MARK UP THE EX GRATIA PAYMENT TO THE FULL \$3 MILLION AUTHORIZED. I AM HOPEFUL THAT THE EX GRATIA PAYMENT FOR THE BIKINI PEOPLE WILL BE AVAILABLE TO THEM BEFORE THE END OF THIS YEAR.

Q.32: HOW IS THE MONEY PICUTRE IN THE U.S. CONGRESS AS FAR AS THE TT IS CONCERNED?

A: THE MORE IMPORTANT QUESTION HERE IS THE MONEY

PICUTRE GENERALLY. AS YOU PROBABLY HAVE HEARD, PRESIDENT FORD HAS SUGGESTED A CONTINUATION OF

LAST YEAR'S TAX CUT. IF THIS GOES THROUGH,  
THERE WILL BE LESS GENERAL REVENUE FOR THE CONGRESS  
TO APPROPRIATE. I THINK THIS ALSO SPEAKS TO THE  
BASIC PHILOSOPHY OF GOVERNMENT WHICH WE ARE SEEK-  
ING TO IMPLEMENT: THAT THE GOVERNMENT SHOULD  
RESTRICT ITSELF TO DOING THOSE THINGS WHICH OTHER  
PARTS OF THE ECONOMY CANNOT DO. THE APPLICATION  
OF THIS IDEA TO MICRONESIA IS OF COURSE DIFFERENT  
THAN IT IS IN THE UNITED STATES. I THINK THOUGH  
AN IMPORTANT CONSIDERATION TO BEAR IN MIND IS  
WHETHER OR NOT THE MICRONESIAN PEOPLE ARE WILLING  
TO PAY MORE IN TAXES SO THAT PROJECTS WHICH THEY  
CONSIDER ESSENTIAL CAN ACTUALLY COME ABOUT.

Q.33:DO YOU HAVE ANY FINAL OBSERVATIONS OR COMMENTS?

A: CORDIALITIES, THANKS, AND AS APPROPRIATE.

ACTING DOTA RICE SENDS.  
INGERSOLL

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